

# Digital Transformation of SMEs in Switzerland

In times of digitalization, companies are faced with new challenges. Small and medium-sized enterprises (SMEs) in Switzerland in particular face a special need for support in this regard. This is because digital transformation affects not only technology, but also the [business model](#) and corporate culture. The University of Applied Sciences Northwestern Switzerland (FHNW) supports Swiss SMEs in the [digital transformation of their business models](#) and processes. The FHNW is our [reference model](#) at 23.investments for implementing the digital transformation at SMEs.

## What is meant by “digital transformation?”

### Definition

[Digital transformation](#) refers to the processual change of business models, structures, processes and products – and thus the entire organization of a company – through the application of digital technologies. It affects all levels of the company and impacts customer relationships, the workplace, and [business processes](#).

### Why is it important for SMEs?

The digital transformation ensures an increase in efficiency, process optimization and competitiveness. In an increasingly digitalized world, it is essential for SMEs to face the new challenges in order to remain competitive.

## Examples of digital technologies

Digital technologies that play a central role in digital transformation include [cloud computing](#), IT security and automation. By using these technologies, SMEs can optimize their business processes and increase their competitiveness.

## Transformation in retail

The retail sector is undergoing change. [Digital technologies are increasingly conquering stationary retail](#) and changing consumer behavior. Online shopping is becoming increasingly popular and many purchases are now made over the Internet. Retailers must therefore adapt to these changes and transform themselves. One example of retail transformation is the introduction of click-and-collect services. Customers order their goods online and can then pick them up in the store. The use of augmented reality applications, such as trying on clothes using virtual reality glasses, is also becoming increasingly popular. Retailers must adapt to these developments in order not to lose out. Companies that react flexibly and quickly can benefit from the changes and hold their own in the market.

We have also looked into this in more detail. [Read more here.](#)

## Why is digital transformation important for Swiss SMEs?

### Current situation of Swiss SMEs

The fact that digitization is of great importance for companies of all sizes, including Swiss SMEs, is shown by a study conducted by the Olten School of Business. The majority of SMEs in Switzerland see digitization and automation as both an opportunity and a challenge. It is predicted that by 2023, an estimated 2,590 jobs in SMEs will be lost due to the lack

of digitization. To counteract this, SMEs in Switzerland must address the challenges of digital transformation.

## **Benefits of digital transformation for SMEs**

Through digital transformation, SMEs can increase the [efficiency of their business processes](#) and make their offerings more innovative. A stronger customer focus and a better customer experience can be achieved. At the same time, employee satisfaction and productivity can be increased through the use of digital technologies. Digital transformation thus offers Swiss SMEs numerous advantages that should not be ignored in this day and age.

## **Fields of action for Swiss SMEs**

The FHNW offers SMEs in Switzerland practical guides and checklists for implementing the digital transformation. In addition, it is important to address questions of innovation culture and new working models.

## **How can the FHNW help us with the digital transformation of SMEs in Switzerland?**

## **The Competence Center for SME Management & Entrepreneurship**

The Competence Center for SME Management & Entrepreneurship at FHNW, headed by [Marc K Peter](#), supports SMEs in Switzerland in establishing a holistic and sustainable approach to implementing digital transformation. The CC SME works closely with Swiss SMEs to jointly shape a digital future.

## **FHNW offers for Swiss SMEs – implemented by 23.investments**

The FHNW offers various services to support Swiss SMEs in their digital transformation. These include seminars, workshops and training courses, as well as consulting sessions. The FHNW is a professional and practical [partner](#) that supports Swiss SMEs in their digital transformation.

### **Practical examples**

Successful implementation of the [digital transformation](#) will be explained using practical examples. The aim is to show how Swiss SMEs are responding to the digital transformation and what successes can be achieved as a result.

## **Which technologies are relevant for the digital transformation of SMEs?**

### **Cloud Computing**

The cloud offers SMEs the opportunity to use their data and applications more flexibly and cost-effectively. Cloud computing supports digital transformation by improving the meaningfulness of data analysis and access to business processes and applications.

### **IT Security**

If business processes are digitized, the number of digital attack possibilities also increases. It is therefore important to address the issue of IT security in the company. SMEs should address data security issues in particular.

## Automation

[Automation can make processes](#) in companies more efficient and cost-effective. It is [important to use the potential](#) of automation to create efficient processes and workflows. By automating business processes, Swiss SMEs can increase their efficiency and thus successfully launch into the digital future.

## How can Swiss SMEs prepare their employees for the digital transformation?

### Raising employee awareness of the topic of “digital transformation

It is important that employees are involved in the digitization processes in the company. The teaching of digital skills plays a crucial role here.

### Advanced training and education

Employees must be familiar with digital technologies in order to use them effectively. To this end, the FHNW offers training and continuing education for Swiss SMEs.

### Culture of innovation and new working models

In order to respond successfully to the digital transformation, it is also necessary to adapt the corporate culture. New working models and innovation culture should play a central role here. By promoting the ability to innovate, [Swiss SMEs can further optimize their business](#) processes and benefit from the transformation.

The FHNW offers Swiss SMEs practical support in implementing the digital transformation. There are currently numerous offers that SMEs in Switzerland can take advantage of to reap the benefits of digitization and digital transformation. A holistic [approach](#) is particularly important in order to implement the digital transformation sustainably.

## Frequently asked questions

### What is SME Digital Transformation?

SME Digital Transformation refers to the use of new technologies and innovations to digitize and transform Swiss SMEs. The goal is to optimize companies in the digital age and keep them competitive.

### What are the fields of action for SME transformation?

The fields of action for SME transformation relate to various aspects that need to be taken into account in the digital transformation. These include IT security, the introduction of new technologies and employee training.

### What is the state of SME transformation at Swiss companies?

According to research results and the practical [guide from the FHNW School of Business](#), SMEs in Switzerland are still at the beginning of the digital transformation. However, there is potential and know-how to successfully implement the digital transformation.

## What does digitization offer SMEs?

Digitization offers SMEs many opportunities and possibilities. [Companies can optimize their business processes](#), improve their products and open up new markets by introducing new technologies and digital innovations.

## What is the FHNW's model for SME transformation?

The FHNW model for SME transformation is a practical guide for planning and implementing the digital transformation of Swiss SMEs. It takes into account the drivers of digital transformation, the fields of action and provides practice-oriented recommendations.

## What are the barriers to the digital transformation of SMEs?

Respondents in the research studies primarily cited costs and a lack of expertise as barriers to successful digital transformation. The lack of planning and implementation of digitization and the fear of change are also frequently cited hurdles.

## Are there already successful practical examples for the digital transformation of SMEs?

Yes, there are already some successful practical examples of SMEs that have successfully digitized their [business processes](#). One example is PostFinance, which was able to improve its service quality by introducing new technologies.

## **How important is digitization for SMEs in 2023?**

Digitization and digital transformation are more important than ever for SMEs in 2023. The effects of the corona pandemic have shown that companies that were already digitized were able to respond more quickly to the changed conditions and were more flexible. In addition, digital innovations and technologies are an important competitive factor.

## **How is SME transformation different from large enterprises?**

SME transformation differs from the transformation of large companies primarily in terms of size and complexity. SMEs often have fewer resources and know-how at their disposal and therefore have to plan and implement particularly carefully. In addition, SMEs often have higher flexibility requirements.

## **What is a subscription in the context of SME transformation?**

A subscription in the context of SME transformation often refers to newsletters or information materials that keep companies up to date on the latest trends and developments in the field of digital transformation. These subscription models can also serve as support for planning and implementing digital transformation.